

EXHIBIT P

Page 1

1 UNITED STATES DISTRICT COURT

2 DISTRICT OF DELAWARE

3 - - - - -

4 ETHYPHARM S.A. FRANCE and :
5 ETHYPHARM S.A. SPAIN, :
6 Plaintiffs, :
7 VS. : CASE NO.
8 BENTLEY PHARMACEUTICALS, : 04-13000-SLR
9 INC., :
10 Defendant. :
11 - - - - -
12

13 DEPOSITION OF MICHAEL D. PRICE, a witness
14 called by and on behalf of the Plaintiffs, taken
15 pursuant to the applicable provisions of the
16 Federal Rules of Civil Procedure, before
17 Sandra L. Bray, Registered Diplomate Reporter,
18 CSR Number 103593, and Notary Public in and for
19 Commonwealth of Massachusetts, at the offices of
20 Edwards Angell Palmer & Dodge LLP,
21 111 Huntington Avenue, Boston, Massachusetts, on
22 Tuesday, July 25, 2006, commencing at 9:13 a.m.

23

24

A265

			Page 2
1	APPEARANCES:		
2	Representing the Plaintiffs:		
3	BAACH ROBINSON & LEWIS PLLC 1201 F Street, NW Suite 500 Washington, D.C. 20004 BY: JONATHAN D. FINE, ESQUIRE DWIGHT P. BOSTWICK, ESQUIRE		
4			
5			
6			
7			
8			
9			
10	Representing the Defendant:		
11	EDWARDS ANGELL PALMER & DODGE LLP 111 Huntington Avenue Boston, Massachusetts 02199 BY: JOSEPH P. MINGOLLA, ESQUIRE		
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
EXHIBITS, Continued			
1	NO.	DESCRIPTION	PAGE NO.
2	13	Copy of E-mail to Mr. Murphy from Mr. Fitzgibbons, dated 11-30-01, and Attachment	171
3	14	Copy of E-mail to Mr. Bolling, et al. from Mr. Fitzgibbons, dated 11-17-01	179
4	15	Spanish Document and Translation	187
5	16	Spanish Document, Bates Numbers BEL051001-051009	202
6	17	Spanish Document, Bates Numbers BEL051010-051015	203
7	18	Spanish Document from; Ms. Villalobos, dated 12-30-03	205
8	19	Spanish Document D1-A, Bates Numbers BEL051020-051023	205
9	20	Invoice from Laboratorios Belmac S.A.	206
10	21	Invoices from Pharma de Espana	210
11	22	Copy of E-mail, dated 12-12-01	224
12	23	Contrato de Transferencia de Tecnologia y Cession de Know How, and Translation	227
13	24	Bentley Pharmaceuticals Board of Directors August 14-15, 2003 Meeting Minutes	236
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

			Page 3
1	INDEX		
2	WITNESS: PAGE NO.		
3	MICHAEL D. PRICE		
4	BY MR. FINE 7, 249		
5	BY MR. MINGOLLA 242		
6			
7			
8	EXHIBITS		
9	NO.	DESCRIPTION	PAGE NO.
10	1	2001 10-K	23
11	2	Document Bates Numbers BEL 006982-006987	33
12	3	Bentley Pharmaceuticals Inc. List of Subsidiaries	47
13	4	1999 10-K	67
14	5	2000 10-K	73
15	6	2002 10-K	99
16	7	Fax to Mr. De Basilio from Mr. Murphy, dated 1-19-95	106
17	8	Press Release, dated 10-10-00	111
18	9	Press Release, dated 11-14-01	121
19	10	Presentation to Perrigo	125
20	11	Letter to Mr. De Basilio from Mr. Herrera, dated 11-14-01	161
21	12	Letter to Mr. De Basilio from Mr. Herrera, dated 11-14-01	161
22			
23			
24			
PROCEEDINGS			
1	(The Florida driver's license number as identification of the deponent was noted for the record.)		
2	MICHAEL D. PRICE, having duly sworn or affirmed that his testimony would be the truth, the whole truth, and nothing but the truth, testified as follows:		
3	* * *		
4	MR. FINE: Okay. Thank you. Before we begin, I'd like to put a brief statement on the record. Actually, could we go off the record for a second?		
5	(Discussion off the record)		
6	MR. FINE: As I just discussed with Mr. Mingolla, I'd like to put a brief statement on the record, that Ethypharm months ago requested some documents relating to intercompany transactions, including documents relating to the forgiveness of approximately 6.7 million euros -- that's \$8 million about -- in credits extended to Laboratorios Belmac by Bentley Pharmaceuticals during time periods relevant to this litigation. In order to depose		
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

<p style="text-align: right;">Page 6</p> <p>1 Bentley's executives and officers, including 2 Mr. Price, Bentley first agreed to produce 3 documents on this subject last Thursday evening, 4 and Ethypharm received a few documents 5 purporting to relate to the loan forgiveness 6 issue yesterday. They're in Spanish, and we 7 haven't had the opportunity to understand them 8 adequately. Ethypharm has agreed to go ahead 9 with this deposition and ask questions in this 10 area, but to the extent that our ability to 11 explore the area has been compromised, Ethypharm 12 reserves all its rights, including the right to 13 recall Mr. Price or Mr. Murphy or others for 14 further questioning on this subject.</p> <p>15 MR. MINGOLLA: And if I may at this 16 point just interject and note that I will 17 refrain from commenting completely on the 18 substance of Mr. Fine's representation. We, of 19 course, will disagree that the documents were 20 requested months ago, that we responded actually 21 before the deadline set forth in the rules, and 22 we will address that issue, if need be, in due 23 course outside of the deposition.</p> <p style="text-align: center;">* * *</p>	<p>1 what we can do about taking a break. The 2 purpose of this isn't to torture. And the only 3 caveat on that is that we won't take a break 4 between a question and your answer, but we can 5 take a break after those.</p> <p>6 And I'd ask you -- by agreement of the 7 parties, we've agreed for these depositions not 8 to discuss or if the witness, which is you in 9 this instance, would not discuss the substance 10 of your testimony with lawyers during the 11 deposition during a break, that would be good.</p> <p>12 A. Okay.</p> <p>13 Q. You're now employed by Bentley Pharmaceuticals, 14 Incorporated; is that correct?</p> <p>15 A. That's correct.</p> <p>16 Q. What is your present position or positions with 17 them?</p> <p>18 A. I am vice president, chief financial officer, 19 secretary, and treasurer.</p> <p>20 Q. Do you have any other positions with Bentley?</p> <p>21 A. Not with Bentley Pharmaceuticals, no.</p> <p>22 Q. Do you serve on Bentley's board of directors?</p> <p>23 A. I do not.</p> <p>24 Q. You do not. Have your positions with Bentley</p>
<p style="text-align: right;">Page 7</p> <p>1 EXAMINATION BY MR. FINE:</p> <p>2 Q. Okay. Mr. Price, thank you for coming here 3 today. I really appreciate it. And I'd like to 4 go over a couple of sort of basics about a 5 deposition before we really start. Have you 6 ever been deposed before?</p> <p>7 A. I have.</p> <p>8 Q. You have. How many times?</p> <p>9 A. I would guess a half a dozen.</p> <p>10 Q. Okay. Basically -- were those in U.S. matters?</p> <p>11 A. They were U.S. matters.</p> <p>12 Q. The basic format of a deposition is that I'll 13 ask you questions and you answer them under 14 oath. Do you understand that?</p> <p>15 A. I do.</p> <p>16 Q. Okay. And for the benefit of our court 17 reporter, you have to answer my questions orally 18 because she can't take down a nod of the head or 19 uh-huh or huh-uh. That's sometimes unclear. So 20 if you could give a clear answer --</p> <p>21 A. Okay.</p> <p>22 Q. -- verbally rather than nodding your head, that 23 would be terrific. And if you need a break at 24 any time today, just let me know, and we'll see</p>	<p style="text-align: right;">Page 9</p> <p>1 changed since you were first employed there?</p> <p>2 A. They have.</p> <p>3 Q. When were you first employed?</p> <p>4 A. In March of 1992.</p> <p>5 Q. And what positions did you hold in 1992?</p> <p>6 A. I was hired in March of 1992 as the director of 7 SEC reporting.</p> <p>8 Q. I'm sorry. Was that SEC?</p> <p>9 A. As in Securities and Exchange Commission 10 reporting.</p> <p>11 Q. And who hired you?</p> <p>12 A. I was hired by Mark Ayers, who was the CFO at 13 the time.</p> <p>14 Q. And what was your salary at that time?</p> <p>15 A. I think my beginning salary was \$60,000 per 16 year.</p> <p>17 Q. Did you receive a bonus that year that you 18 recall?</p> <p>19 A. I think I got a modest bonus of \$500 or 20 something like that.</p> <p>21 Q. Did you receive any other compensation that 22 year?</p> <p>23 A. I received stock options upon my hiring.</p> <p>24 Q. Approximately how many?</p>

<p style="text-align: right;">Page 238</p> <p>1 Q. Was -- is Mr. Herrera now a vice president of 2 Bentley Pharmaceuticals, Incorporated? 3 A. I think he is a -- I would have to go verify his 4 title, but I think he is a vice president. He 5 could either be general managing director or 6 vice president. I don't recall. 7 Q. Was he appointed a vice president before this 8 date? 9 A. Not to my knowledge. 10 Q. Okay. When was he told that he was appointed to 11 the position of vice president of Bentley 12 Pharmaceuticals, Incorporated? 13 A. I don't know. 14 Q. Okay. Did you take the minutes of this board 15 meeting? 16 A. I did. 17 Q. And is there a signed version of these minutes? 18 A. There should be a signed version. I don't 19 know -- that's why I said it appears to be a set 20 of minutes from that meeting, because I don't 21 know why this wouldn't be signed, unless this 22 was just pulled off -- was this an electronic 23 copy that was pulled off the computer? 24 Q. These were produced to us as the minutes of the</p>	<p style="text-align: right;">Page 240</p> <p>1 A. That's kept in a locked file cabinet right 2 outside of my office. 3 Q. And you have no reason to doubt that the 4 portions of these minutes on Page 3 and Page 4 5 relating to the appointment of Mr. Herrera as 6 vice president of Bentley Pharmaceuticals, Inc. 7 are inaccurate; do you? 8 A. I have no reason to think that, no. 9 MR. FINE: Thank you. For the record, 10 we'd like to indicate that we have not been 11 provided with copies of any of the documents 12 relating to time allocations for management fees 13 or royalties or any other allocations owing from 14 Laboratorios Belmac to Bentley and, in specific, 15 relating to the time allocation estimates 16 created by Ms. Melia that have been mentioned in 17 this deposition and would like those. 18 We also have not been provided with 19 copies of any of the management services 20 agreements relating to management fees or 21 royalties or other intercompany transactions 22 between Laboratorios Belmac and Bentley 23 Pharmaceuticals and would like those, nor have 24 we been provided any documents relating to</p>
<p style="text-align: right;">Page 239</p> <p>1 board of directors of Bentley Pharmaceuticals, 2 Incorporated. So I'm at as much of a loss as 3 you are. 4 A. Okay. I'm not sure why there's no signature on 5 there. 6 Q. Do you think that your signature is not on there 7 because this copy of the minutes is not 8 accurate? 9 A. The typical process is that I draft the minutes, 10 and at the next meeting or as soon as possible 11 thereafter, the draft minutes are shared with 12 the other members of the board, they get a 13 chance to review them, read them, point out any 14 corrections that need to be made to them, and 15 approve them either without corrections or with 16 corrections. At which point, I go back to my 17 office, make any change that may be necessary, 18 print off a final set of minutes, and put them 19 in the minute book. 20 Q. Is there a minute book that contains all of the 21 board of directors meetings of Bentley 22 Pharmaceuticals, Incorporated? 23 A. There is. 24 Q. Where is that kept?</p>	<p style="text-align: right;">Page 241</p> <p>1 transfer pricing studies relating to 2 intercompany transactions, management fees, 3 royalties or time allocations between 4 Laboratorios Belmac and Bentley Pharmaceuticals 5 and would like any documents relating to that 6 issue. 7 Nor have we been provided with any 8 budget line items or budget documents relating 9 to intercompany allocations for management fees, 10 royalties or transfer pricing between 11 Laboratorios Belmac and Bentley Pharmaceuticals 12 and would like those. 13 And I have no further questions. 14 MR. BOSTWICK: One other brief comment 15 about the minutes. The board minutes we've been 16 showing to witnesses and everybody said those 17 are the board minutes, this is the first time 18 we've heard there are signed versions, which I 19 don't think were produced to us. We're going to 20 have to rely, of course, on the minutes that 21 have been produced to us. If there's any 22 variation, you know, we need to receive those. 23 MR. MINGOLLA: I guess I will briefly 24 respond. I will not attempt to respond at</p>

<p style="text-align: right;">Page 242</p> <p>1 length in entirety to the categories of 2 documents that Dwight and Jonathan just 3 mentioned. We will certainly look into these 4 issues and see whether they fall within the 5 scope of the most recent document request that 6 was served on the eve of the depositions. I can 7 represent to you that some of the documents you 8 said have not been produced have, in fact, been 9 produced to you. So -- but, again, rather than 10 clutter the transcript of Mr. Price's deposition 11 with a point-by-point response, I will just say 12 we'll address that in due course as well. We 13 can go off the record for a minute. I just need 14 about three minutes just to check my notes.</p> <p>15 MR. FINE: Sure. 16 (Recess taken from 4:27 p.m. to 17 4:30 p.m.)</p> <p>18 EXAMINATION BY MR. MINGOLLA:</p> <p>19 Q. Mr. Price, would you please get your copy of 20 Exhibit 13 in front of you?</p> <p>21 A. Okay.</p> <p>22 Q. You have it? And I'd like you to turn to Page 23 3. This is what Mr. Fine asked you some 24 questions about earlier this afternoon. Are you</p>	<p style="text-align: right;">Page 244</p> <p>1 Q. And were those expenses incurred in connection 2 with the Philadelphia law firm you mentioned a 3 few minutes ago?</p> <p>4 A. That's correct, Synnesvedt & Lechner.</p> <p>5 Q. If you would have in front of you Exhibits 16, 6 17, 18, and 19.</p> <p>7 A. Okay.</p> <p>8 Q. Do you have those documents in front of you?</p> <p>9 A. I do.</p> <p>10 Q. And each of those documents is in Spanish; is 11 that right?</p> <p>12 A. Each of them are in Spanish.</p> <p>13 MR. FINE: Objection. The witness has 14 said he can't recall anything or testify to 15 those documents.</p> <p>16 Q. Mr. Price, could you briefly look at those 17 documents and let me know if those are in any 18 language other than Spanish?</p> <p>19 A. They all appear to be in Spanish to me.</p> <p>20 Q. You do not speak Spanish; is that correct?</p> <p>21 A. I do not.</p> <p>22 Q. Do you read Spanish?</p> <p>23 A. There are words that have the same Latin roots 24 both in English and Spanish, and those words I</p>
<p style="text-align: right;">Page 243</p> <p>1 there?</p> <p>2 A. I am.</p> <p>3 Q. And I'm looking at an area entitled New Patents. 4 Do you see that?</p> <p>5 A. I do.</p> <p>6 Q. And remember earlier this afternoon you were 7 asked questions pertaining to the entries under 8 Action which reads, "Jordan and Bob G to review 9 patent issue. Jordan to have more oversight on 10 patents"? Do you see that?</p> <p>11 A. I do.</p> <p>12 Q. Do you remember those questions?</p> <p>13 A. I do.</p> <p>14 Q. In connection with that testimony, you mentioned 15 that Bentley had been spending a lot of money on 16 patent prosecutions. Do you remember that 17 statement?</p> <p>18 A. I do.</p> <p>19 Q. Where were those patent prosecutions taking 20 place?</p> <p>21 A. In the U.S.</p> <p>22 Q. Were those expenses that were incurred by 23 Bentley in connection with U.S. patents?</p> <p>24 A. They were.</p>	<p style="text-align: right;">Page 245</p> <p>1 could probably guess what the meaning is, but 2 no, I don't read Spanish.</p> <p>3 Q. Were you involved in the creation of any of the 4 Exhibits 16 through 19?</p> <p>5 A. I have not.</p> <p>6 Q. Earlier this afternoon in connection with 7 Mr. Fine's questions about the consulting 8 arrangement, you mentioned that you spent time 9 looking at sales trends and financial results of 10 the Spanish operations. Do you remember that?</p> <p>11 A. I do.</p> <p>12 Q. And why would you be spending time looking at 13 sales trends and financial results of the 14 Spanish operations?</p> <p>15 A. Because I'm primarily the spokesman for the 16 company with respect to institutional investors 17 or retail investors. So when they call in and 18 ask questions about what's going on with the 19 company, I have to be able to, first of all, 20 understand what has been happening and what's 21 expected to happen.</p> <p>22 Q. At several points today, you've made reference 23 to the consolidation of results.</p> <p>24 A. Yes.</p>